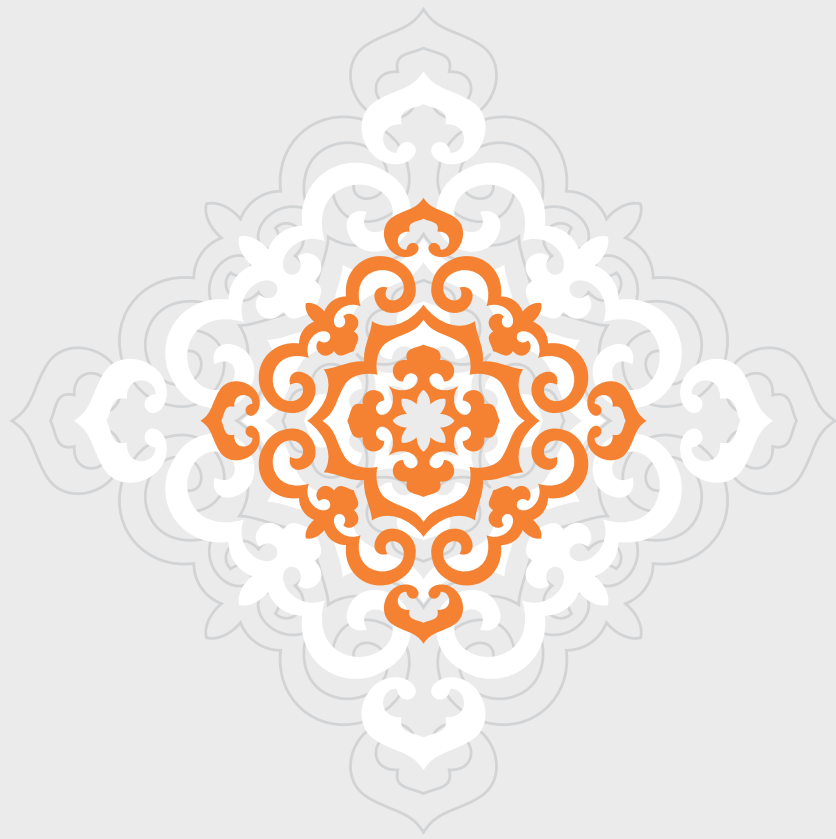
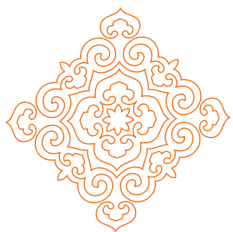


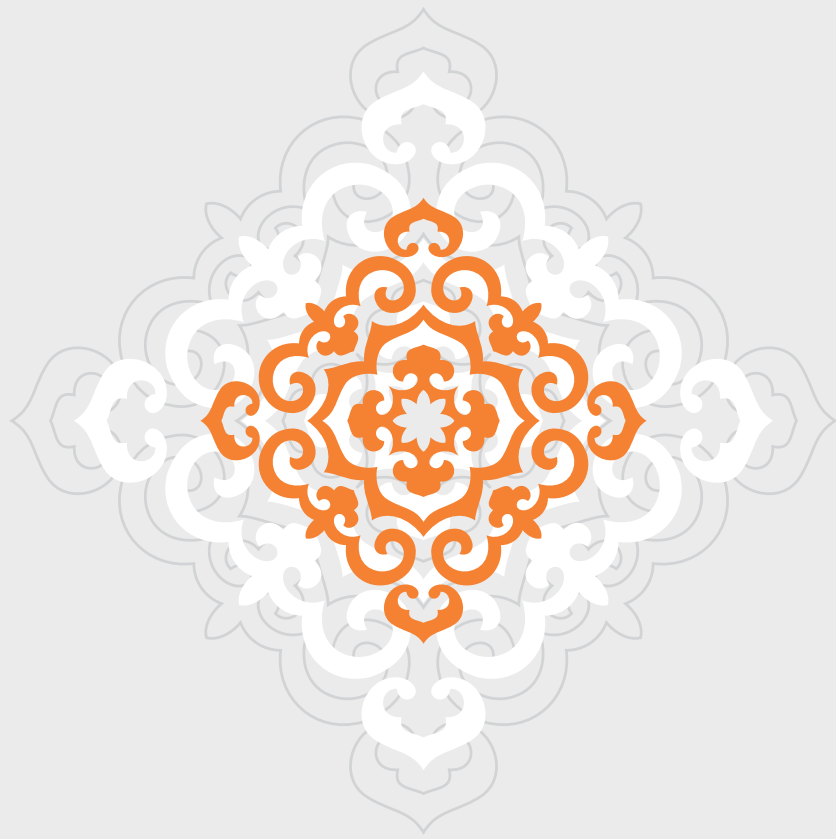


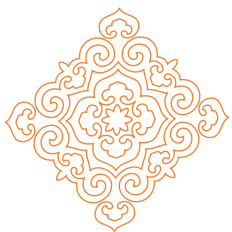
Social Responsibility Report





**His Majesty
King Abdullah II bin Al Hussein**





**HRH Prince Hussein bin Abdullah
Crown Prince**




In the Name of Allah,
the Compassionate, the Merciful



Jordan Islamic Bank

Public Shareholding Limited Liability Company



Established in Amman - the Hashemite Kingdom of Jordan and registered as a public shareholding limited liability company in the Companies Registry on 28/11/1978 under reference No. 124 pursuant to the requirements of the by-then effective Companies Law and in accordance with the provisions of Jordan Islamic Bank Law No. 13 of 1978, which was superseded by the Banks Law No. 62 of 1985 that was abolished pursuant to the Banks Law No. 28 of 2000 effective as of 02/08/2000, which included a special chapter on Islamic Banks.

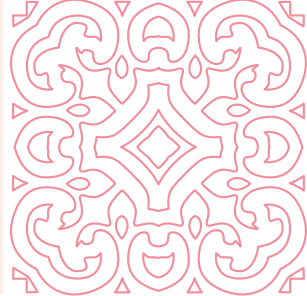
Social Responsibility Report 2016



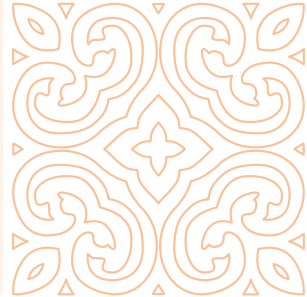
Our Mission



Commitment to consolidate the values of the Islamic Sharia by dealing with all people according to the teachings and principles of the Islamic Law (Sharia) to serve the public interest of the society.



Commitment to equally serve the interests of all stakeholders including shareholders, investors, borrowers and employees.

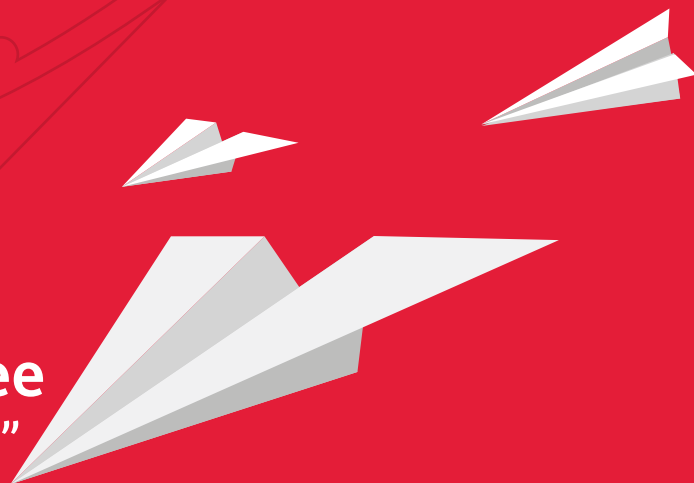


Commitment to attain the latest innovative products in banking industry and technology, as well as looking forward to gaining the trust of all people in our distinguished services that are in line with recent developments and changes within the framework of compliance with our Islamic Sharia.



Members of Social Responsibility Committee

“A Board of Directors’ Committee”



H.E. Mr. Salem Ahmad Jameel Al Khaza'aleh

Board Member

Chairman



**H.E. Mr. Noor “Mohammad Shahir”
“Mohammad Lutfi” Mahayni**

Board Member

Vice-Chairman



H.E. Mr. Issa Haidar Issa Murad

Board Member

Member



H.E. Mr. Hamad Abdallah Ali Eqab

Board Member

Member



H.E. Mr. Musa Abdelaziz Mohammad Shihadeh

CEO / General Manager

Member

Members of Social Responsibility Committee

«An Executive Management Committee»



Dr. Hussein Said Mohammad Saifan
Deputy General Manager

Chairman



Mr. Bassam Ahmad Abdullah Abu Ghazalah
Studies and Social Responsibility Department Manager

Member



Mr. Ahmad Mohammad Ahmad Abdul Karim
Public Relations Department Manager

Member



**Mr. "Mohammad Adnan"
Orabi Ibrahim Abu Hejleh**
Advisor / Marketing

Member



**Some of the Bank's Key Indicators
at the end of 2016**

Item	Accumulative up to the end of 2016	During 2016
• Branching Network		
- Number of operating branches	74 Branches	One branch was opened
- Number of operating banking offices	23 Offices	Three offices were opened
• ATM Machines		
- Number of ATMs in Operation	190 Machines	21 Machines
• Employment System		
- Total Number of Employees	2,236 Employees	88 Employees
- Number of courses and conferences held in the Bank's Academy	3,071 courses and conferences	234 courses and conferences
- Number of employees who participated in courses and conferences held in the Bank's Academy...	47,121 Employees	3,258 Employees
- Number of employees dispatched to training centers In Jordan	10,124 Employees	887 Employees
• Donations (Within the Hashemite Kingdom of Jordan)		
- Amount of granted donations	10,5 Million Dinars	843,9 Thousand Dinars
• Al Qard Al Hasan		
- Amount of Al Qard Al Hasan, granted	254 Million Dinars	18,6 Million Dinars
- Number of beneficiaries of Al Qard Al Hasan	426 Thousand Beneficiaries	21.9 Thousand Beneficiaries
- Amount of Al Qard Al Hasan granted in cooperation with Al Afaf Charitable Society	5,3 Million Dinars	196 Thousand Dinars
- Number of Al Qard Al Hasan granted in cooperation with Al Afaf Charitable Society	9,448 Beneficiaries	221 Beneficiaries
- Amount of Al Qard Al Hasan granted under the Agreement with the Teachers' Syndicate	5,6 Million Dinars	1,7 Million Dinars
- Number of Al Qard Al Hasan granted under the Agreement with the Teachers' Syndicate	8,344 Beneficiaries	2356 Beneficiaries
- Al Qard Al Hasan granted to Jordan Loan Guarantee Corporation (JLGC) to establish small projects financing guarantee fund	3 Million Dinars	3 Million Dinars
• Mutual Insurance Fund		
- Amount of Compensation Disbursed	8,3 Million Dinars	1,4 Million Dinars
- Number of Cases in which Compensation was Disbursed	2,250 cases	226 cases
- Fund Balance	73,7 Million Dinars	9,5 Million Dinars
- Total Funds of Subscribers in Mutual Insurance Fund	1.2 Million Dinars	174 Million Dinars
- Number of Subscribers in Mutual Insurance Fund	150.1 Thousand Subscribers	12.6 Thousand Subscribers

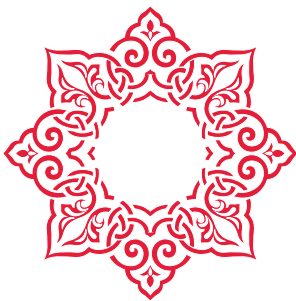


Item	Accumulative up to the end of 2016	During 2016
• Training students and other employees from non - Jordanian banks		
- Number of students trained at the Bank	17,060 Students	1,015 Students
- Number of employees trained from non-Jordanian banks	342 Employees	54 Employees
• Capital Investments in National Companies		
- Number of National Companies Invested In	36 companies	-
- Value of Capital Investments in National Companies	95 Million Dinars	-
• Financing with Tangible Impact on Societal Life as a whole, and on the National Economy and its development		
- Gross Financing for the Ministry of Finance, and Ministry of Supply in US Dollar (for the Purchase of Rice, Corn, Sugar, Oil, Barley and Other Food stuff)	254 Million Dinars	-
- Gross Financing for Jordan Petroleum Refinery Company in JD and US Dollar (for the Purchase of Crude Oil)	307 Million Dinars	-
- Gross Financing for a Number of Local Electricity Companies, Private and Public	1,339 Million Dinars	-
- Portion of said Financing Allotted to Rural Electricity Projects	6 Million Dinars	-
- Gross Financing for the Water Authority (for the Purchase of Requirements to Transport, Pump, and Distribute Water	13 Million Dinars	-
- Total Murabaha financing for the purchase of housing, lands or building materials	2,402 Million Dinars	217 Million Dinars
- Number of beneficiaries of Murabaha financing for the purchase of housing, lands or building materials	296 Thousand Citizen	15.5 Thousand Citizens
- Murabaha financing for the purchase of transportation means	2,278 Million Dinars	265 Million Dinars
- Number of beneficiaries of Murabaha financing for the purchase of transportation means	283 Thousand Citizen	23.2 Thousand Citizen
- Murabaha financing for the purchase of furniture	278 Million Dinars	17.7 Million Dinars
- Number of beneficiaries of Murabaha financing for the purchase of furniture	125 Thousand Citizen	5.7 Thousand Citizen





**Chairman's
Message**




Chairman's Message

Praise be to Allah, Lord of the Worlds, And Prayers and Peace be upon Mohammed His Servant and Messenger,

Peace be upon you,

Most Distinguished Ladies and Gentlemen,

Jordan Islamic Bank (JIB) occupies a distinctive position at Jordanian Banking Market year after year. JIB's distinctive position is one of the factors that enables JIB to implement its social role towards the local community, provide banking



services and keep pace with new developments according to the rules and principles of Islamic Shariah. Since its establishment to date, JIB takes constructive initiatives for the benefit of society through implementing social responsibility programs, serving and developing the local community and supports various initiatives and activities in this regard.

This report sheds light on JIB's practices in implementing its strategy and programs of social responsibility through providing donations to various parties, sponsoring conferences and workshops, providing Al Qard Al Hasan, interacting with local community and investing in vital sectors, such as: education, health and energy.

The bank continued to expand throughout 2016 as measured by various standards, insofar as its assets reached 4.1 billion Dinars and its savings 3.6 billion Dinars, while its investments reached 2.9 billion Dinars. Shareholders' equity reached approximately 343 million Dinars, and the bank

now operates 74 branches and 23 offices, and employs more than two thousand and two hundred employees.

The bank will follow its straight path, Allah Willing, to serve its Message, interact with the needs of the national economy and of local society, and contribute to each good deed with all means it has.

In conclusion, we ask Allah Almighty to guide us in the completion of this process, which has made us an example in serving the community and the country as an effective economic player, as well as our contribution to the advancement and prosperity of the local community.



Adnan Ahmed Yousif
Chairman of the Board of Directors



CEO / General Manager's Message



CEO / General Manager's Message

Praise be to Allah, Lord of the Worlds, and Prayers and Peace be upon His Prophet Mohammed.

May the peace, mercy, and blessings of Allah be upon you,

On the basis of the interest of JIB and its national commitment to contribute in serving the community and meeting its needs and effectively work to enhance development in Jordan, JIB continues its efforts in adopting and implementing various community-serving programs that are in line with JIB's mission and values.

It is my pleasure in this fifth report of the social responsibility of JIB to shed light on distinctive JIB's achievements in the area of social responsibility that keeps pace with JIB's works since establishment, which was characterized by sustainability, community building and increasing productivity as we are not only work for JIB success, but we work for our nation's success.

During 2016, JIB extended in implementing renewable energy projects at its headquarter and branches through installing electricity-generating solar panels at branches' roofs. Consequently, that led to savings, decreasing electricity bill, decreasing high electricity loads at the Kingdom, supporting national economy and protecting the environment. JIB continued to replace traditional lightening units with energy-saving lightening units (LED). The latter saves 35% of electricity consumption value on a yearly basis. JIB also installed Variable refrigerant flow (VRF) system, which is the most modern air conditioning system. VRF saves 25% of electricity consumption annually compared to other air conditioning systems. JIB, moreover, installed water-saving tools after conducting the necessary checks to identify places of panels installation.

To achieve its Social Responsibility Plan, JIB financed vital economic sectors through donations, investment and providing easy terms facilities to alternative energy sector, hybrids, electricity and providing special programs that support small and medium-sized enterprises. For the purposes of improving employees performance, JIB involved them in conferences, seminars, programs and specialized training courses and encouraged them to take part in the social activities and voluntary activities.

As an evidence of success in the areas of social responsibility and sustainable development, JIB was honored with Arab Social Responsibility Organization Award at the Arab level in 2016 and for the second year in a row, gold excellence shield and distinction certificate in social responsibility and two awards from AlBaraka Banking Group in the area of social responsibility: Champion of AlBaraka goals for 2016 and the award of the best contributor in the education sector in 2016.

These accomplishments would not be materialized without the grace of Allah Almighty. So I ask Allah Almighty to give us determination and willingness that motivate us to work following the same approach and with cooperation of the board, executive management, employees and customers so as JIB be at the forefront of Jordanian banks economically, developmentally and socially. We seek to meet customers' expectations and apply Islamic Banking mission in all of its aspects which contributes in serving citizens and community and providing an example in serving the nation and homeland.



Musa Abdelaziz Shihadeh
CEO / General Manager



Preface



Preface

The vast accomplishments of JIB carry on through the efforts and initiatives of the Board of Directors and the Executive Administration, with success from Allah Almighty. By virtue of these accomplishments, the bank affirms that its role is not limited to its existence as a business institution, which strives to realize the interests of its shareholders, for it is also a joint investment institution which strives to achieve the interests of its investors, just as it is a social institution that strives to recognize and meet societal needs as much as possible.

In general, and by embedding those values in our financial and banking transactions in particular. As such, the bank is required to take all these dimensions into consideration and to achieve a balance between them, in light of the legislative environment at hand and surrounding circumstances, which might not be favorable. The Jordan Islamic Bank's business practices are based on a system of values and rules which control its trajectory, determine its milestones, and regulate its policies in order to achieve its goals.





This system is represented, in its most essential form, by a network of applied Sharià controls.

The bank undertakes to gather national savings, and direct those savings, directly, into social and economic activities and programs, which are capable of producing goods and services of real benefit to peoples' lives. Likewise, the bank undertakes to provide those services and business transactions which life demands, without handling goods and services which harm the public or the national economy.

The bank's commitment to Sharià Law requires its activities to aim not only for the fulfillment of material needs, but also for the practical embodiment of Islamic values in reality, and for the achievement of society's comprehensive interests, by means of attaining a balance between the interests and advantages of all those bearing a relation to the bank, including shareholders, employees, investors, and beneficiaries of the funding and

investments undertaken by the bank, and of the services which it provides; a process which confers benefit on society and the national economy on the whole.

All of the aforementioned activities, policies, and goals are conducive to improving wealth and income distribution between members of society, and moving towards the achievement of a type of justice among them. Just as they are conducive, on the economic level, to guaranteeing a more efficient use of economic resources, and higher productive capacity of available national capital, which helps, in turn, to increase national production, and to increase exports, and to provide new sources of foreign currency, just as it contributes to the expansion of job opportunities, in service of the above-mentioned developmental and social and economic goals.

Social responsibility development at JIB

Memorandum of Association and Article of Association



Jordan Islamic Bank is one of the leading banks in the area of social responsibility and a leading Islamic bank in Jordan. Since its establishment, JIB ensures carrying out its social and banking responsibilities side by side. Articles of Association and Memorandum of Association provided for under purposes and works item: "JIB aims to meet economic and social needs in the area of banking services....".



Commitment to JIB Governance Guide

JIB always seeks to provide the best and most prestigious banking services and products and ensures innovating and developing Shariah-compliant new services. Since governance provides the best rules, systems and procedures that boosts confidence, JIB decided to develop Corporate Governance Guide according to the best international practices in this regard

and in accordance with the latest instructions issued by the Central Bank of Jordan (CBJ) on Corporate Governance for Islamic Banks No. (64/2016) dated 25/09/2016, noting that JIB first developed Corporate Governance Guide on December 31, 2007.

JIB has prepared the Corporate Governance Guide and posted it at the website (www.jordanislamicbank.com) to comply with its principles in terms of **the Board of Directors** (members, appropriateness, meetings, duties of the secretary, board tasks, tasks of chairman and members, limits of responsibilities, accountability and Board's). **Top Executive Management** (CEO/GM's role, tasks, appropriateness and responsibilities). **Shariah Supervisory Board** (appointment of board members, appropriateness, independence, meetings, task, responsibilities and organization of board's works). **Control Environment and Internal and Shariah Supervision** (control systems, internal supervision systems, internal auditing department, internal shariah auditing department, risk management department and compliance management) and **Relationship with Shareholders and Rights of Joint Accounts Holders**.





Social Committees

There is a social responsibility committee formed by the Board of Directors and another one at the Executive Management level in affirmation of our bank's attention of the social affairs, and to strengthen the Board of Directors' and Executive Management's commitment to social responsibility.



JIB Social Responsibility Reports

Social Responsibility Report was issued in an annual basis for years from 2012 to 2015 and the current report is fifth in a row.



Certificate of Appreciation (ISO 26000)

Certificate of ISO 26000 was obtained from ISO /Geneva for JIB's use of ISO guidance of social responsibility project in Middle East and North Africa.





Social Responsibility Unit

A unit for social responsibility was established and placed in the organizational structure in Studies and Social Responsibility Department.



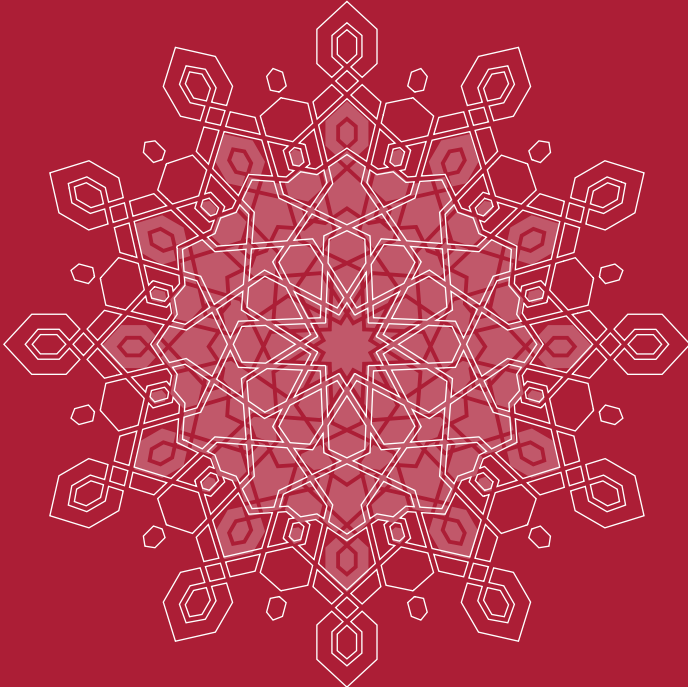
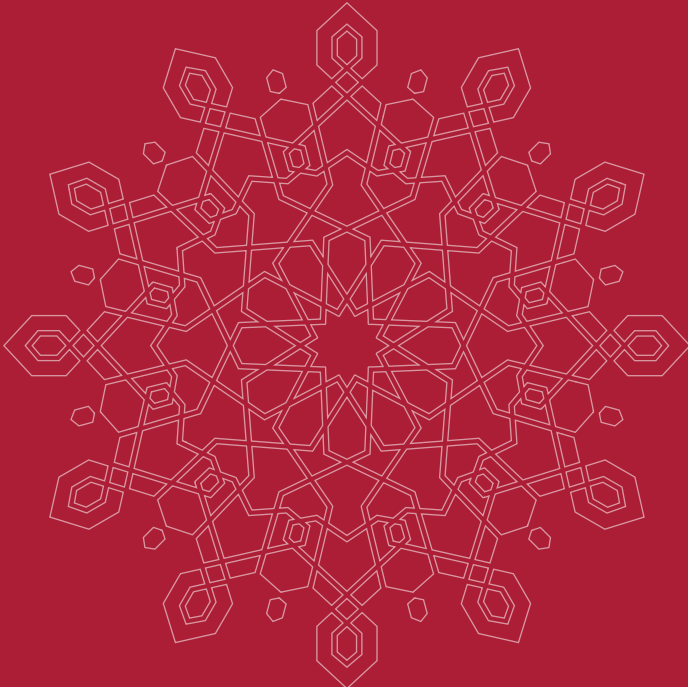
Objectives of Strategic Sustainability Plan

- Depend on the renewed energy by 50% of the Bank's consumption for the five coming years.
- Protect the environment and minimize the negative impact on it.
- Spread the sustainability and social responsibility culture among related parties.
- Develop the employees professionally and give each employee 40 training hours a year.
- Continuous support and finance to the small and medium enterprises and finance the professionals and handicrafts.
- Increasing financial inclusion.



Social Responsibility Plan for 2017

- To continue in holding activities on social responsibility concerning providing donations to all different parties, such as: sponsoring conferences, seminars and workshops related to the Holy Quran, Interaction and development of civil Society...etc.
- To continue in financing health and education sectors at decreased rates, invest in them and provide donations.
- To seek to providing new job opportunities through continuing in supporting small-sized, medium-sized, micro and startups projects by providing finance from the bank or through the agreements that are signed with the Central Bank of Jordan (CBJ) or Jordan Loan Guarantee Corporation (JLGC) in this regard.
- To continue in implementing renewable energy and water-saving programs.
- To continue in sending SMS to customers to encourage to rationalize the use of energy.
- Increasing training hours allocated for JIB staff.
- Encouraging employees to take part in the social and voluntary activities.
- To actively participate in creating green and pollution-free environment by financing hybrids, electric cars and renewable energy projects at easy and preferential rates.
- Increasing the coverage of financial inclusion, especially: woman and her financing needs.



Jordan Islamic Bank's Social Role



Jordan Islamic Bank's Social Role

The bank's commitment to serve the society, and its provision of a legitimate alternative to banking needs in Jordan aims at more than the maximization of returns. It aims to strengthen Islamic values in business transactions and to consolidate the ties of social unity and compassion and solidarity. These goals are obvious in all JIB's activities, but they become more clear in the following programs:

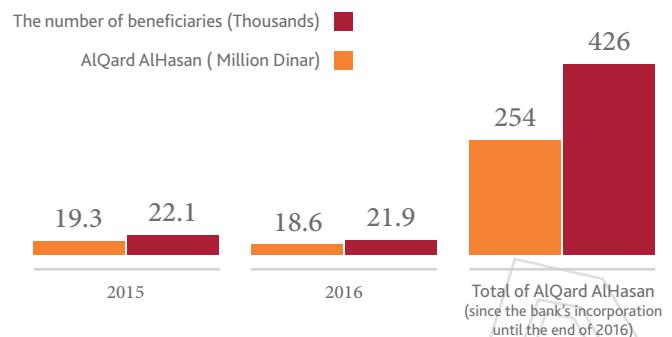


Al Qard Al Hasan

Jordan Islamic Bank has undertaken, since it started doing business, to grant Al Qard Al Hasan to citizens to help them meet their social needs such as medical treatment, education, and marriage. The value of Al Qard Al Hasan which the bank disbursed throughout 2016 reached approximately (18.6) million Dinars, with approximately 21.9 thousand citizen beneficiaries compared to 19.3 million Dinars in 2015 with 22.1 thousand citizen beneficiaries. 426 thousand citizens have benefited from Al Qard Al Hasan since the bank's founding until the end of 2016, while the total value of said loans has reached 254 million Dinars. Among these loans are those that the bank granted to youth wishing to marry, in cooperation with Al-Afaf Charitable Society, with the total value of said loans reaching approximately 5.3 million Dinars disbursed to 9.448 beneficiaries;

and those granted to teachers, as per the bank's agreement with the Jordan Teachers' Syndicate, with the total value of 5.6 million Dinars disbursed to 8.344 beneficiaries.

Just as the bank welcomes deposits in the "Al Qard Al Hasan Account" from those wishing to lend to the fund, by means of Al Qard Al Hasan, whereas the balance of this account reached approximately 1.8 million dinars by the end of 2016.





Mutual Insurance Fund

The bank initiated this activity at the beginning of 1994, inasmuch as the bank's debtors sharing in the fund are jointly liable for mitigating the harm that may befalls any one of them, by paying the balance of his debt obligation in case of death, permanent disability or continuing financial hardships. In addition, this Fund served to minimize exposure to risks as of 2014 after the approval of the Central Bank of Jordan (CBJ). The fund's balance reached approximately 73,7 million Dinars by the end of 2016, and disbursed compensation in 2,250 cases, with a sum of about 8,3 million Dinars. The number of participants in the fund reached approximately 150 thousand by the end of 2016 and the balance of their debt obligation reached around 1.2 billion Dinars. Throughout

2016, the fund disbursed compensation in approximately 226 cases, and the total value of said compensation reached 1.4 million Dinars; as for 2015, compensation was disbursed in 169 cases, and the total value of said compensation reached approximately 871 thousand Dinars.

It is worth mentioning that the bank expanded its insurance coverage as of 1/3/2015, in order to include everyone whose debt obligation reached 100 thousand Dinars or less (As of 2013, the insurance coverage includes leasing's clients in addition to Murabaha's clients) after it had been 75 thousand dinars or less after expansion of its coverage to include 50 thousand Dinars or less rather than 40 thousand dinars or less after it had been 25 thousand dinars or less.




Professionals and Artisans Financing Program

Since its inception, JIB has been keen to finance the projects of professionals and artisans through Murabaha loans. In 1994, the bank created a special program for financing the projects of this sector of society, in form of decreasing partnerships which end in the transfer of ownership to the professional/artisan, a process which requires the repayment of financing through personal revenues garnered from the artisan's project. To pay more attention to these projects, the bank increased in 2013 the capital of its subsidiary **Al-Samaha Company for Financing and Investment** to 8 million Dinars, and modified the company's memorandum of association and Articles of Association to include the financing of the aforementioned projects and of those practicing mini crafts. JIB,

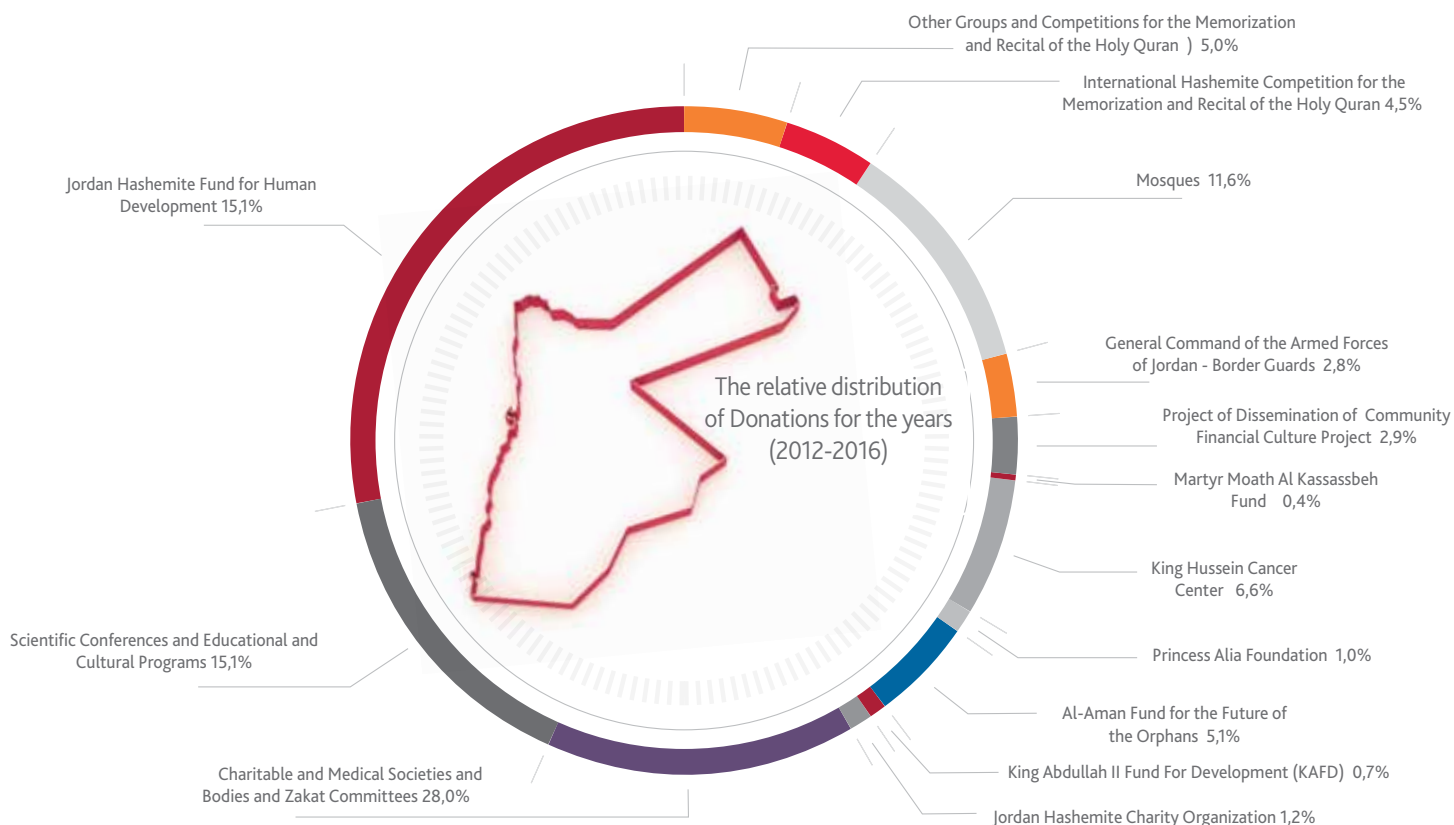
thereafter, increased the company capital to 12 million Dinars in 2016. Financing provided by the company to projects, companies, craftsman, professionals, woman sector in reducing unemployment rate, maintaining current job opportunities and creating new job opportunities. During 2016, the company financed 41 projects. Therefore, those financed maintained 142 current job opportunities and created 13 new job opportunities.

Donations (Inside the Hashemite Kingdom of Jordan)

JIB allots a yearly sum for the purpose of donating to various charitable aspects. JIB's total donations in 2016 reached approximately 844 thousand Dinars; whereas the bank's total donations, since its establishment till the end of 2016 have reached approximately 10.5 million Dinars.

 The table below shows the donations made by the bank during the years 2012-2016:
(Sums listed in thousands of Dinars)

Year	Mosques	International Hashemite Competition for the Memorization and Recital of the Holy Quran	Other Groups and Competitions for the Memorization and Recital of the Holy Quran	Charitable and Medical Societies and Bodies and Zakat Committees	Scientific Conferences and Educational and Cultural Programs	Jordan Hashemite Fund for Human Development	Jordan Hashemite Charity Organization	King Abdullah II Fund For Development (KAFD)	Al-Aman Fund for the Future of the Orphans	Princess Alia Foundation	King Hussein Cancer Center	Martyr Moath Al Kassasbeh Fund	Project of Dissemination of Community Financial Culture Project	General Command of the Armed Forces of Jordan – Border Guards	Total
2012	15.1	40.0	5.2	141.5	175.5	77.0	2.0	0.0	32.0	0.0	5.0	0.0	0.0	0.0	493.3
2013	9.3	30.0	51.4	110.9	59.2	83.5	25.0	0.0	32.0	0.0	200.0	0.0	0.0	0.0	601.3
2014	150.7	30.0	26.3	208.2	112.4	85.5	10.0	0.0	32.0	34.0	1.2	0.0	0.0	0.0	690.3
2015	159.6	30.0	50.3	253.1	85.9	91.6	5.0	25.0	42.5	0.0	1.2	14.0	51.7	100.0	909.9
2016	76.4	30.0	42.2	274.9	102.7	198.5	0.0	0.0	42.5	0.0	25.0	0.0	51.7	0.0	843.9



Below are the most notable bodies received donations from the bank since its establishment:

Body	Years of Donation	Amounts (Thousand Dinar)
International Hashemite Competition for the Memorization and Recital of the Holy Quran – Ministry of Awqaf and Islamic Affairs and Holy Places	1993-2016	454
Jordan Hashemite Fund for Human Development (Goodwill Campaign, Queen Alia Competition, Queen Alia Center for Human Development)	1981-2016	1,068
Al-Aman Fund for the Future of the Orphans	2008-2016	309
Jordan Hashemite Charity Organization	2002, 2005, 2006, (2008-2015)	123
King Abdullah II Fund For Development (KAFD)	2007, 2008, 2010, 2015	145
King Hussein Cancer Center	2009, (2011-2016)	236
Princess Alia Foundation	2014	34
Martyr Moath Al Kassassbeh Fund	2015	14
Project of Dissemination of Community Financial Culture Project	2015, 2016	103
General Command of the Armed Forces of Jordan - Border Guards	2015	100



Sponsorship of Conferences and Seminars

- Cooperation with Islamic financial institutions
- The bank has continued to participate in local and foreign conferences and seminars which relate to its field of work, or those which help develop the business of Islamic banks, especially those conferences and seminars which are convened under the auspices of the Islamic Bank for Development, Al Baraka Banking Group, the Islamic Financial Services Board, the General Council for Islamic Banks and Financial Institutions, and the Accounting and Auditing Organization for Islamic Financial Institutions. For example, throughout 2016 the bank sponsored or supported:
 - The Global Conference for Islamic Banks in cooperation with Al Baraka Group Units and in a strategic partnership with Al Baraka Islamic Bank, Turkish Bank and Al Baraka Banking Group. The conference held in Bahrain by providing a sum of 5 Thousand Dollars.
 - The Conference of "Islamic Finance in Post-Oil Economy" in partnership with Al Baraka Group Units and in a strategic partnership with Al Baraka Islamic Bank, Turkish Bank and Al Baraka Banking Group. The conference is organized by The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and World Bank in Bahrain by providing a sum of 5 Thousand Dollars.





- Workshop on the impact of International Financial Reporting Standard (IFRS9) - "Impairment and Loss allowances" in partnership with The Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and attendance of thirty experts from the most prominent External Reviewing Auditing Companies, Certified Accountants, Academics, Bankers, CBJ representatives, fiscal experts at Islamic banks, Al Baraka Banking Group and some international organizations, such as: The Islamic International Rating Agency (IIRA). The workshop was held at headquarters' meetings room.
- The General Council for Islamic Banks and Financial Institutions (CIBAFI), entitled: "Reconsideration of Values to Achieve Sustainable Growth", which was held at Bahrain by providing a sum of 10 Thousand Dollars.
- Logistics, such as: translation, photocopying and meeting's hall preparation for the strategic meeting of AlBaraka Banking Group, which was held in Amman by 9 thousand Dinar,
- Forum on drying up terrorism financing sources, organized by Union of Arab Banks (UAB), sponsored by the Central Bank of Jordan (CBJ), which was held in Amman by providing a sum of 7.500 Thousand Dollars.
- Forum of Enhancing Supervisory and Regulatory Frameworks and Removing Sources at correspondent banks, which was organized by UAB at Dead Sea by providing a sum of 7.500 Thousand Dollars.
- Financial Inclusion Forum, entitled: "Towards Strategic Financial and Social Stability", which was organized by UAB, CBJ, Jordanian Association of Banks and The Council of Arab Economic Unity (CAEU), which was held in Amman by providing a sum of 5000 Thousand Dinars.
- Cooperation with those interested in the concept of Islamic banks over the Bank's various business practices and applications; for example, throughout 2016, the bank organized, sponsored or supported:
 - Workshop on Islamic financing Sukuk which was organized by Amman Stock Exchange at Amman by providing a sum of 8800Thousand Dinars.
 - The Third International Forum for Islamic Banks and Financial Institutions "Islamic International of Investment Sukuk and its impact in economic development", which was organized by Islamic Banks Department /Jordan University by providing a sum of 15 thousand Dinars.
 - The annual conference for accountants, which was organized by Osool Company for training and consultations with an amount of 2 thousand Dinars.
 - The third economic forum, entitled: "legal and institutional requirements to combat money-laundering and its relevant challenges" organized by Tamkeen Centre for Administrative Development and by providing the sum of 5 thousand Dinar.



Education and Training

Interaction with a number of educational and academic and preparatory agencies in Jordan, whether they be universities or colleges or schools or students; for example, throughout 2016 the bank undertook to sponsor or support or honor or train:

- Program of Dissemination of Community Financial Culture and supporting financial, economic and social stability in cooperation with CBJ and Jordanian Association of Banks with project by providing a sum of 51700 thousand Dinars.
 - Honoring the high-School valedictorians under the supervision of Teachers' syndicate by providing an amount of 6.400 Dinars for the fifth year in a row and supporting syndicate's activities by 1000 Dinar.
 - Maintenance the theater of Education sciences Faculty/Mutah University with a cost of 15000 Dinar.
 - Directorate of Buildings Management and International Projects/Ministry of Education, Maintenance of 3 schools with a cost of 12000 Dinar.
 - Supporting Poor Student Fund at Second District - Amman / Hai At Tafilah Charitable Society with 2000 Dinar.
 - Payment of general secondary examination certificate for poor female students at Quter Al Nada Secondary School for Girls with 400 Dinar.
 - Training of Master's degree students in Islamic Finance from one of morocco-based universities to create training opportunities and learning about JIB's works for the graduates of local and international universities and covering thier costs by 25000 Dollar.
- JIB Subscription in Al Mouazara Al Dhabiah to support activities of Islamic World Academy for Science with an amount of 15000 Dollar.
 - As part of its mission to spread Islamic practices in the realm of business, in 1986 the bank founded the Al Omariah Schools Company, and the bank currently owns 99.4% of the company's capital, worth approximately 8.6 million Dinars, where 4.687 students are enrolled. By Allah Grace, a female student ranked fifth and a male student ranked eighth at the kingdom level in the Examinations of General Secondary Certificate.
 - The bank has continued to provide training opportunities, and opportunities to become familiar with its work, to new groups of students from educational institutions. 17.060 students have been trained from the bank's founding until the end of 2016; 1015 students were trained throughout 2016. Furthermore, a total of 342 employees from non-Jordanian banks have been trained in our bank's business style, among them 54 employees throughout 2016.
 - As for the bank's interest to increase the performance of its employees, 3.258 employees participated throughout 2016 in courses and conferences organized by the bank's training center, 887 employees were dispatched to other training centers within Jordan and 54 employees to centers outside of Jordan. Since the bank's founding and until the end of 2016, the Human Resources Development and Training Academy has organized 3.071 courses and conferences, with a grand total of 47.121 employees participating, and it has dispatched 10.124 employees to training centers within Jordan and 504 employees to centers outside of Jordan.





Occupational Safety and Health (OSH)

On the basis of JIB commitment to provide safe and secure working environment, Occupational Safety and Health Committee was formed in 2013 to take the responsibilities of developing regulations and plans of occupational safety and health and follow-up JIB performance in terms of indicators of occupational safety and health (OSH).

Although limited number and frequency of work-based incidents, Occupational Safety and Health Committee stresses commitment to take measures that decrease possibilities of working environment injuries.

JIB Occupational Safety and Health Committee aims to achieve the following strategic objectives:

- Protecting employees in all workplaces from injuries resulting from working environment risks through preventing employees exposure to occupational incidents, injuries and diseases as much as possible.

- Implementing occupational safety and health requirements that ensure creating safe working environment that protect human and physical elements from dangers.

- Taking all measures and actions for environment and property protection.

To achieve these objectives, JIB holds and/or participates in training courses, programs and workshops in the following areas: Occupational health principles, occupational safety and health, first aids, awareness-raising for all newly recruited employees on work injuries and occupational risks, workshop on rescue and first aids, workshop on firefighting, practical implementation of firefighting trial, workshop on evacuation steps, implementation of the phantom evacuation, scientific day for air quality in Jordan.



Sponsorship of Matters Related to the Holy Quran

The bank pays particular attention to preserving the Holy Quran. JIB, for example, sponsored, supported, honored, or presented the following awards throughout 2016:

- The winners of the Quranic recitation competitions held during the International Hashemite Competition for the Memorization and Recital of the Holy Quran, organized by the Ministry of Awqaf and Islamic Affairs and Holy Places, JIB presents annual awards to the competitors, and since the competition was founded in 1993, the bank has disbursed around 454 thousand Dinars in awards, among them 30 thousand Dinars in 2016.
- The Reciter of Jordan Program (for the sixth year in a row), which was organized by Islamic World Association for the Readers and Almjodine and the Yarmouk Institute for Organizing Exhibitions, in order to select the finest voice in the recitation of the Holy Quran, broadcast over Jordanian television throughout the month of Holy Ramadan, by providing a sum of 30 thousand Dinars.
- Prizes for the memorization of the Holy Quran and hadith sharif at the colleges of Jordan University, valued at 11 thousand Dinars.
- Prizes for the memorization of the Holy Quran and hadith sharif at the colleges of Yarmouk University, valued at 3 thousand Dinars.
- "Beautify Your Voices with the Holy Quran" Competition / Alomaria Schools, valued at 2275 Dinars.
- Prizes of Quranic Competition for the memorization of the Holy Quran for Jordan University students, which was organized by Islamic cultural center and valued at 5.000 Dinars.
- Prizes of Annual Competition for the memorization of the Holy Quran, which was organized by Alsalheen Association for holy Quran Memorization and valued at 5.000 Dinars.
- The Holy Quran Annual Campaign organized by The Holy Quran Preservation Society, valued at 30 thousand Dinars and preparing one of Child Quranic Clubs of the society with a cost of 5.000 dinars. It includes presenting 100 copies of the Holy Quran to the society/Der Alla Branch and buying a land for building the society's women branch with a total cost of 10 thousands Dinars and presenting gifts to 234 child participating in the Quranic competition of child club with a total cost of 1.600 thousand Dinars.
- Presenting 34 copies of the Holy Quran to Quran memorizers in Islamic World Association.
- Presenting 50 copies of the Holy Quran to Asharfiah Center of Quran Memorization.



Culture, Arts, Literature and Heritage

JIB supports a number of agencies connected to literature, the arts, culture and heritage, agencies whose leanings are consistent with JIB's general orientation. JIB, for example, sponsored, supported, honored, or presented the following awards throughout 2016:

- Purposeful programs on a number of television and radio stations: Jordan Radio and Television Corporation, by providing a sum of 270 thousand Dinars; Iqraa Arabic Channel, by providing a sum of 200 thousand Dollars; Iqraa International Channel, by providing a sum of 50 thousand Dollars; some radio stations by providing a sum of 145 thousand Dinars; such as Hayat FM, Amen FM, and Husna FM.
- Sponsorship of the Page of Islamic Banking, Islamic Financing, Money and Islam in Al-Dustur, Al Rai, Al Ghad and Assabeel newspapers, valued at 132 thousand Dinars.
- Sponsoring some purposeful magazines with 37000 Dinar: Al Forqan Magazine issued by The Holy Quran Preservation Society, some annexes of the magazine (Shatha Al Furqan), Al-Sharia Magazine, Little Police officer Magazine and Community Police Magazine issued by Jordan Public Security Directorate, Safety Road Magazine

issued by Jordanian Society for the Prevention of Road Accidents, magazine of the Arab Academy for Banking and Financial Studies, Magazine of Union of Arab Banks, Banks in Jordan Magazine, Bainat Magazine issued by the Jordanian Society for Scientific Miracles in Quran and Hadaith and Magazine of Businessmen Community.

- Awards for the participants of Ramadani Competitions with the value of 41000 Dinars in some Jordanian newspapers and magazines.
The International Conference for the Prevention of Extremism and Takfeerism, which was organized by Aliftaa Deepartment in Amman with the cost of 30000 Jordanian Dinars.
- The Hashemite Fund for the Reconstruction of the Al Aqsa Mosque and the Dome - bearing the hosting costs of Eye on Jerusalem Program/ Jordanian Television for one year and with the cost of 28800 Dinars.
- Activities of Al Hadith Al Sharief and Truth Revival with the cost of 2500 Dinars.
- Buying 20 copies of the comprehensive palestinian encyclopedia with the total cost of 1000 Dinars/ Royal Commission for Jerusalem Affairs.





Health

JIB has supported a number of health organizations and facilities in Jordan. JIB, for example, sponsored, supported, honored, or presented the following awards throughout 2016:

- Al Hussein Cancer Center: 25000 Dinars for poor patients/ Purchase of greeting cards from the Center's children drawings, valued at 1.200 Dinars.
- Presenting 2000 Dinars to Al Ramatha Second International Conference for Dentistry/Jordan Dental Association.
- Sanabel Healthcare Association / Establishing a charitable center for autism patients at Ain Basha by providing a sum of 10 thousand Dinars.
- Jordan Medical Association / Al Maqased Hospital Support Committee, by providing a sum of one thousand Dinars.
- A honoring ceremony for the families of cornea donors in cooperation with eye bank friends society and Jordan Eye Bank, by providing a sum of 7000 Dinars, for the seventh consecutive year





Energy Environment and Water



JIB's main activities throughout 2016 include:

● Hybrid and Electrical Vehicles:

Hybrid and Electrical Vehicles see substantial growth as they are affordable and economic in fuel consumption and ensure clean environment and vehicles sellers start focusing on this types of vehicles as they are more profitable.

As JIB seeks to keep abreast with latest developments in all areas, products related to financing hybrid and electric vehicles were with easy terms (repayment period up to 84 months, easy guarantees and competitive rates). A certificate of vehicles testing is required before financing the vehicle.

● "Our Sun" Product:

Challenges of the energy sector, especially electric power sector, continues to intense in quantity and price due to events that take place in the Arab Region. Therefore, companies, factories and individuals are searching for alternative power solutions, but limited experience and high cost of these projects hinders proceeding those projects. Successful experiences, in this regard, serve as a great motivation for those projects. Financing Institutions shall support companies and individuals to overcome financial challenges through offering facilities to commence solar panels projects and in line with the needs of companies and individuals with easy terms (repayment period up to 84 months, 100% financing rates, provision of cash insurance revenues to investment accounts holders if they were a guarantee for the facility and competitive

profit rates). The client submits the specifications of renewable energy system, feasibility study, system suitability to the residential and commercial units at which the panel will be installed.

● JIB's Renewable Energy Projects:

JIB extended in implementing alternative energy projects at its headquarter and branches through installing electricity-generating solar panels at branches' roofs. Consequently, that led to savings, decreasing electricity bill, decreasing high electricity loads at the Kingdom, supporting national economy and protecting the environment. It is worth noting that this program encompassed three branches as its first step in July 2013. This system is currently applied in (17) branches as well as energy generating systems at bonded center and center of disasters recovery.

Necessary approvals and licenses are taken and the connection impacts study is finalized to establish a station of energy generating in Amman, that will be subsidiary of Jordanian Electric Power Company (JEPCO) to secure 85% of the electricity consumption of JIB's branches, offices and departments at Amman, Zarqa and Madaba. Work is underway to establish the station in 2017.

Necessary approvals and licenses are taken for the purposes of energy generating station at Irbid. The station will be affiliated to Irbid Electricity Company to secure the electricity consumption of JIB's branches, offices and departments at northern governorates of Irbid, Ramtha, Jarash, Ajlun and Mafraq. Work is underway to operate the station in 2017.

● JIB replaced traditional lightening units with energy-saving lightening units (LED):

The energy-saving lightening units (LED) is characterized with longer operational age compared to traditional lightening units. That will result in reducing maintenance costs. The energy-saving lightening units (LED) provides better lightening, low thermal emissions and very low level of ultraviolet radiation. This will lead to reduce lightening negative-impacts and saves 35% of electricity consumption value on a

yearly basis. LED units are present at 55 branch and office as well as Public Management Building. The work is underway to install LED units at the remaining JIB's branches and offices.

● **Using of Variable refrigerant flow (VRF) systems:**

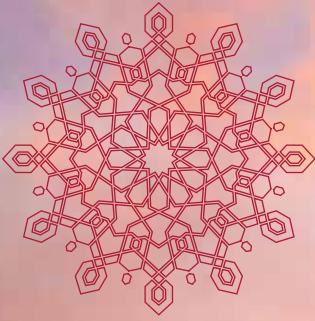
Variable refrigerant flow (VRF) system, which is the most modern air conditioning system. VRF saves 25% of electricity consumption annually compared to other air conditioning systems. This system can be controlled centrally through setting temperature and switching it on and off via computers. Therefore, it provides optimal solutions, saves more electricity and reduces maintenance costs. VRF systems are present at 36 branches and offices as well as Public Management Building. The work is underway to install VRF systems at the remaining JIB's branches and offices.

● **Rationalizing Water Consumption:**

Furthermore, JIB installed water-saving tools in 2015 upon conducting the necessary checks to identify places of panels installation. Those tools are installed at 40 branches and offices as well as Public Management Building and three investment complexes. This project will be achieved in 2017.

- Continuing as a member of Jordanian Environmental Society.
- Fifth Student Environmental Conference, entitled: "environmental projects at our Jordanian schools". This conference was organized by Al Radwan Schools with the total cost of one thousand dinars.
- "Conference of Connecting Large Renewable Energy to Transport and Distribution Networks", which was organized by Jordan Cigre National Committee with total cost of 5000 dinars in addition to in-kind donations of 4000 dinars.
- Initiative of "My City is my environment" which was launched by Jordanian Environment Society at Shafa Badran for recycling with a total value of 1000 dinars.
- Contributing to installation of solar renewable energy systems at two mosques with a total cost of 2000 dinars.





People with Special Needs, Underprivileged Communities and the Poor



The bank has supported a number of agencies which care for special needs individuals, underprivileged communities, and orphans in Jordan. JIB, for example, sponsored, supported, honored throughout 2016:

- Al-Aman Fund for the Future of the Orphans, by providing a sum of 42.5 thousand Dinars throughout 2016; since the founding of the Al-Aman Fund in 2008 until the end of 2016, JIB's total donations to the fund reached 309 thousand Dinars.
- Tkiyet Um Ali with an amount of 10000 dinars.
- Providing providing recording and conversion devices to Abdullah bin Maktoum School for Blind Persons to help its students in educational process. During 2016, 1650 dinars was donated to buy machines and 1800 dinars was donated to sponsor graduates honoring ceremony and JIB provides providing recording and conversion devices to the school since 1995.
 - Jordanian Solidarity Society for Blinds: payment of costs of Omarah Journey for hearing-impaired poor and orphans with a cost of 1000 dinars.
- Islamic Centre Charitable Society: payment of costs of Omarah Journey for five participants of orphans and Boy Scouts of the center with a cost of 900 dinars.
- Activities of Maa' Al Samaa' Society for Blinds/ Maa' Al Samaa' School with a cost of 500 dinars.
 - Providing computers to Noor Al Bayan Club for
- Teaching the Holy Quran - Sahel Horan Center/ Islamic Center Charitable Society for sponsoring orphans and poor.
- Activities of the Society of Caring and Qualifying Autism Creative Individuals with an amount of 10000 dinars.
- Association of Retired Servicemen & Veterans: paying the costs of computer training courses for three groups of orphans with an amount of 2800 dinars.
- Islamic Centre Charitable Society/Committee of Sadaqat and Orphans Guarantees in a sum of 10000 dinars and supporting Annual Ramadani Iftar for the society at Irbid with a sum of 2300 dinars.
- JIB cooperated with Al-Afaf Charitable Society to organize yearly group weddings, by providing wedding presents to both the husband and wife. In 2016, the bank provided 4,200 Dinars to 42 spouses. The bank also provides Al Qard Al Hasan to spouses in cooperation with Al-Afaf Charitable Society; throughout 2016, the bank provided approximately 138 thousand Dinars in Al Qard Al Hasan to 196 beneficiaries. In total, the bank has provided, in cooperation with Al-Afaf Charitable Society, approximately 5.3 million Dinars in Al Qard Al Hasan to 9,448 youths wishing to marry.



Interaction with and Development of Local Society

Those activities which have a tangible impact on societal life, and which benefit and develop society are top priorities for the bank. In 2016, the bank undertook to sponsor, support, or donate to:

- The Jordan Hashemite Fund for Human Development, by providing a sum of 199 thousand Dinars; and between 1981 and 2016, the total value of donations to the fund (including the Piety and Giving Campaign, the Queen Alia Competition, and the Queen Alia Center for Social Development) reached approximately 1.1 million Dinars.
- Support the programs and activities of the Jordan Hashemite Fund for Human Development and the Queen Alia Competition for social responsibility by providing a sum of 5500 thousand Dinars and purchasing 4000 copies of the competition with a value of 1000 dinars. 2016 Version of the competition entitled "Active Citizenship for Stronger Jordan" and this competition aims to raise awareness among segments of society on active citizenship concept.
- Arab Thought Foundation/Seminar of Family Endowments At Jerusalem with a sum of 25000 dinars and Fifth International Conference for Humanities entitled "Contemporary Trends in Reforming and Developing Educational Institutions" in a sum of 10000 dinars.
- Second Conference of Shariah Courts "Justice and Excellence", which was organized by Supreme Judge Department in a sum of 60000 dinars.
- Al Karak Chamber of Commerce/Contributing in furnishing one of the chamber halls in a sum of 3000 dinars.



- Investment fund for Arabic Language Association in a sum of 10000 dinars.
- Contributing in printing the book of the Al Haram Al Qudosi Al Shareef "Mahfa Al Qoloob" in a sum of 10000 dinars.
- Activities of National Association For Investor Protection (NAIP) in a sum of 2500 dinars.
- Jordan River Foundation/Child Fund in a sum of 5000 dinars.
- Activities of the Jordanian Paralympic Committee/ Jordanian Union for Disabled Sport in a sum of 7500 dinars.
- Supporting activities of Central Traffic Department through buying water cups and dates to be distributed during Ramadan in the period of Al Magrib Adhan, printing awareness-raising leaflets and greeting cards

and distributing gifts to congratulate drivers on Eid al-Fitr with a sum of 11800 Dinars.

- Ministry of Awqafs and Islamic Places/Zakat Fund with 10 computers in a sum of 3000 dinars.
- Holding Conferences of "Entrepreneurship of female engineers" and Building Management System " and forum of "Jerusalem in the eyes of media /Jordanian Engineers Association and association agendas in a sum of 21000 dinars.

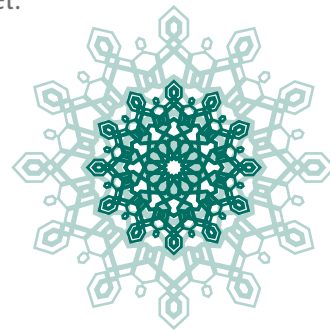


- Preparation of small enterprises for Jordanian Women/Jordanian National Forum For Women in a sum of 5000 dinars.
- Donations to many mosques either by contributing in building them or maintaining them in a sum of 76000 dinars during the year 2016. Since JIB's establishment and until the end of 2016, donation amount reached 1.4 million dinars in total.
- Donations to many charitable societies in Jordan in a sum of 266000 dinars in 2016.
- In the area of Islamic Insurance, JIB established **Islamic Insurance Company** in 1996 and the bank contributes in 33.2% of its capital, amounting at 12 million dinars.
- Furthermore, JIB finances community service facilities in Murabaha style, for example:
- JIB financed, in American dollars, the Ministry of Finance and the Ministry of Supply, over a period of several years, to buy rice, wheat, corn, sugar, oil, barley and other food supplies, and the total value of this financing reached approximately 254 million Dinars.
- JIB financed, in Jordanian Dinars and American dollars, the Jordan Petroleum Refinery Company over a period of several years, in order to buy crude oil, and the total value of this financing reached approximately 307 million Dinars.

- JIB financed a number of national electricity companies, public and private, over a period of several years, and the total value of this financing exceeded 1.339 million Dinars, and 6 million Dinars to finance rural electricity projects.
- The bank financed the Water Authority over a period of several years, at the amount of approximately 13 million Dinars, to purchase the necessities of water transportation and pumping and distribution.
- In affirmation of the bank's pioneering role in supporting the national economy through continuous communication with social society institutions, and in service of shared interests and the common good, the bank signed a shared cooperation agreement with the Jordanian Teachers' Union, as the bank considers this sector of society instrumental

in raising succeeding generations. Through this agreement, the bank provides financing and Islamic banking services, at competitive prices and relaxed conditions according to Sharia regulations, to all the members of the Teacher's Union, for the purpose of home ownership, or buying cars or furniture, or for other ends at easy terms and according to shariah controls.

- In the context of bank interest in its existing and previous staff, JIB honors ten-year service employees on a yearly basis. JIB, moreover, organizes a honoring ceremony for its retired personnel.



- As part of its efforts to stabilize the noble objectives and goals of Hajj, proceeding from its belief to have the honor of serving the local community, and through a cooperation agreement with the Ministry of Awqaf and Islamic Affairs which provided for issuing Haj Fund Deposit Bonds for the citizens wishing to participate in the Fund through the Bank as a saving and investment tool to provide the opportunity for those interested to perform Hajj. The Bank facilitated the subscription of the citizens in this Fund.
- For the purpose of alleviating and reducing the costs, and simplify the procedures of enforcing the judgments, the Bank signed a memo of understanding with the Supreme Judge Department under which the Bank issues the "Family Card, a card for the winning people in executive cases at the sharia execution courts that allows the card holder to get the cash balanced in the card through the ATMs or the points of sale.
- The bank takes special interest in covering the basic financing needs of Jordanian citizens, and it provides them with necessary financing directly, with terms that accord with their circumstances. The bank considers the purchase of household furniture among the essential needs of Jordanian citizens, so throughout 2016 the bank financed 5.747 citizens, at a total of approximately 17.7 million Dinars, for the purchase of furniture, and financed approximately 23 thousand citizens, at a total of approximately 265 million Dinars, for the purchase of transportation vehicles.

- The bank is keen on providing to Jordanian citizens financing necessary for homeownership, or for the purchase of land, or of building materials for home construction. To this end, throughout 2016 the bank financed, in the form of Murabaha sale, 15.5 thousand citizens at a total of approximately 217 million Dinars; likewise, the bank financed, in the form of lease ending in ownership, 2.725 citizens at a total of approximately 228 million Dinars. Since its establishment until the end of 2016, the bank financed, in the form of (Murabaha), approximately 296 thousand citizens at a total of approximately 2.4 million Dinars, and in the form of lease ending in ownership, approximately 19.7 thousand citizens at a total of about 1.4 million Dinars.



Provision of Housing

The bank continuously seeks to meet the basic needs of Jordanian citizens, including the provision of housing, and in that respect the bank presents financing necessary for the purchase of fully-equipped domiciles, or for the purchase of materials and equipment necessary for the construction of domiciles. For example:

- The Bank is keen on providing housing to its employees. To this end, the Bank finances them in the form of decreasing partnerships, at a reduced rate of interest and for relatively long periods of time, in order to enable them to own their own homes. Between its founding and the end of 2016, the bank financed 1.890 employees at a total of 47 million Dinars; among them 5.6 million Dinars in 2016, with 119 employee beneficiaries.

